MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

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FINAL EXAMINATION

T1, 2019/ 2020

BSM7124 – SERVICES MARKETING

(All Sections/ Groups)

30 SEPTEMBER 2019
9.00 a.m – 12.00 p.m
(3 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consist of **FIVE (5)** pages (including the cover page).

2. Answer **ALL** questions. The marks distributions are given in parentheses.

3. Write all your answers in the **Answer Booklet** provided.

SECTION A: ANSWER ALL THE QUESTIONS (40%)

Case Study: Dr. Mahalee Goes to London

A senior account officer at an international bank is about to meet a wealthy Asian businessman who seeks funding for a buyout of his company. The prospective client has already visited a competing bank.

It was a Friday in mid-February and Dr. Kadir Mahalee, a wealthy businessman from the Southeast Asian nation of Tailesia, was visiting London on a trip that combined business and pleasure. Mahalee, who geld a doctorate from the London School of Economics and had earlier been a professor of international trade and government trade negotiator, was the founder of Eximsa, a major export company in Tailesia. Business brought him to London every two to three months. These trips provided him with the opportunity to visit his daughter, Leona, the eldest of his four children, who lived in London. Several of his 10 grandchildren were attending college in Britain, and he was especially proud of his grandson, Anson, who was a student at the Royal Academy of Music. In fact, he had scheduled this trip to coincide with a violin recital by Anson at 2:00 p.m on this particular Friday.

The primary purpose of Mahalee's visit was to resolve a delicate matter regarding his company. He had decided to retire and wished to make arrangements for the company's future. His son, Victor, was involved in the business and ran Eximsa's trading office in Europe. However, Victor was in poor health and unable to take over the firm. Mahalee believed that a group of loyal employees were interested in buying his company, if the necessary credit could be arranged.

Before leaving Tailesia, Mahalee discussed the possibility of a buyout with his trusted financial adviser, Lee Siew Meng, who recommended that he talks to several banks in London because if the potential complexity of the business deal:

The London banks are experienced in buyouts. Also, you need a bank that can handle the credit for the interested buyers in New York and London, as well as Asia. Once the buyout takes place, you'll have significant cash to invest. This would be a good time to review your estate plans as well.

Referring Mahalee to two competitors, The Trust Company and Global Private Bank, Lee added:

I've met an account office from Global who called on me several times. Here's his business card; his name is Miguel Kim. I've never done any business with him, but he did seem quite competent. Unfortunately, I don't know anyone at the Trust Company, but here's their address in London.

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After checking into the Savoy Hotel in London the following Wednesday, Mahalee telephoned Kim's office. Since Kim was out, Mahalee spoke to the account officer's secretary, described himself briefly, and arranged to stop by Global's Lombard Street office around mid-morning on Friday.

On Thursday, Mahalee visited The Trust Company. The two people he met were extremely pleasant and had spent some time in Tailesia. They seemed very knowledgeable about managing estates and gave him some recommendations about handling his complex family affairs. However, there were clearly less experienced in handling business credit, his most urgent needed.

The next morning, Mahalee had breakfast with Leona. As they parted, she said, "I'll meet you at 1:30 p.m in the lobby of the Savoy, and we'll go to the recital together. We mustn't be late if we want to get front-row seats".

On his way to Global Private Bank, Mahalee stopped at Mappin & Webb's jewelry store to buy his wife a present for their anniversary. His shopping was pleasant and leisurely; he purchased a beautiful emerald necklace that he knew his wife would like. When emerged from the jewelry store, he was caught in an expected snow flurry. He had difficulty finding a taxi and his arthritis started acting up, making walking to the nearest tube station out of the question. At last, he caught a taxi and arrived at the Lombard Street location of Global Bancorp about noon. After going into the street-level branch of Global Retail Bank, he was redirected by a security guard to the Private Bank offices on the second floor.

He arrived at the Private Bank's nicely appointed reception area at 12:15 p.m. The receptionist greeted him and contacted Miguel Kim's secretary, who came out promptly to see Mahalee, and declared:

Mr. Kim was disappointed that he couldn't be here to welcome you, Dr. Mahalee, but he had a lunch appointment with one of his clients that was scheduled over a month ago. He expects to return at about 1:30. In the meantime, he has asked another senior account officer, Sophia Costa, to assist you.

Sophia Costa, 41, was a vice president of the bank and had worked for Global Bancorp for 14 years (two years longer than Miguel Kim). She had visited Tailesia once, but had not met Mahalee's financial adviser nor any member of the Mahalee family. An experienced relationship manager, Costa was knowledgeable about offshore investment management and fiduciary services. Miguel Kim had looked into her office at 11:45 a.m. and asked her if she would cover for him in case a prospective client, a Dr. Mahalee, whom he had expected to see earlier, should happen to arrive. He told Costa that Mahalee was a successful Tailesia businessman planning for his retirement, but that he had never met the prospect personally, then rushed off to lunch.

The phone rang in Costa's office, and she reached across the desk to pick it up. It was Kim's secretary. "Dr. Mahalee is in reception, Ms. Costa."

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QUESTION ONE

Prepare a flowchart of Dr. Mahalee's service encounters. (10 marks)

QUESTION TWO

Putting yourself in Mahalee's shows, how do you feel (both physically and mentally after speaking with the receptionist at Global? What are your priorities right now? (10 marks)

QUESTION THREE

As Sophia Costa, what action would you take in your first five minutes with Mahalee? (10 marks)

QUESTION FOUR

What would constitute a good outcome of the meeting for both the client and the bank? How should Costa try to bring about such an outcome? (10 marks)

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SECTION B: ANSWER ALL THE QUESTIONS (60%)

QUESTION ONE

Explain why services tend to be harder for customers to evaluate than goods. (10 marks)

QUESTION TWO

Describe the difference between high-contact and low-contact services, and explain how the nature of a customer's experience may differ between the two services. (10 marks)

QUESTION THREE

Explain the dimensions of the ambient conditions and how each can influence customer reponses to the service environment towards a newly opened restaurant. (10 marks)

QUESTION FOUR

Discuss how does blueprinting help to better understand the service process from the perspectives of the key actors in a service process. (10 marks)

QUESTION FIVE

(a) Briefly explain the six types of gaps that can occur at different points during the design and delivery of a service performance. (10 marks)

(b) Consider your own recent experiences as a service consumer. On which dimensions of service quality have you most often experienced a large gap between your expectations and your perceptions of the service performance? What do you think the underlying causes might be and what should management do to improve quality?

(10 marks)

End of Paper